

HOUSE No. 2668

The Commonwealth of Massachusetts

PRESENTED BY:

James Arciero

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the passage of the accompanying bill:

An Act relative to Clean and Renewable Energy.

PETITION OF:

NAME:

James Arciero

DISTRICT/ADDRESS:

2nd Middlesex

The Commonwealth of Massachusetts

In the Year Two Thousand and Nine

AN ACT RELATIVE TO CLEAN AND RENEWABLE ENERGY.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Section 4E of chapter 40J of the General Laws, as appearing in the 2004 Official Edition, is hereby amended by inserting after subsection (l) the following 2 subsections:-

“(m). The board may draw upon monies in the fund for the public purpose of generating tax credits in the amount of 5 per cent of the total construction or renovation cost for commercial construction and renovation projects that exceed the IECC by at least 30 per cent to the ratepayers of the commonwealth who use renewable energy materials.

(n). the executive office of environmental affairs or its designee will certify any commercial project that exceeds the 30 per cent standard of the IECC. The office will designate the project as reaching this goal and inspect the same yearly to ensure that the level is maintained throughout the life of the tax credit. Any failure to maintain the standard for certification under this section shall result in notification to the board, whereupon the board shall immediately revoke the tax credit at the time of the decertification.”

SECTION 2. Clause (1) of subsection (b) of section 6J of chapter 62 of the General Laws, as so appearing, is hereby amended by adding the following subclause:-

(iii) A commercial taxpayer that incurs qualified rehabilitation expenditures by exceeding the 30 per cent standard of the IECC may be allowed a credit, to be computed as hereinafter provided, against the tax imposed by this chapter. The credit shall be equal to a percentage, not to exceed 30 per cent, of the qualified rehabilitation expenditures made by the taxpayer with respect to a qualified historic structure which has received final certification and has been placed in service as provided for in this section. The Massachusetts historical commission shall administer and determine eligibility, upon the written certification of the secretary of EOEA, or any office designated by the secretary, for the Massachusetts rehabilitation tax credit and allocate the credit in accordance with this section; but, the Massachusetts historical commission may impose a fee for the processing of applications for the certification of any rehabilitation under this section.

(iv). The executive office of environmental affairs or its designee will certify any commercial building renovation project that exceeds the 30 per cent standard of the IECC. The secretary will designate the project as reaching this goal and inspect the same yearly to ensure that the level is maintained throughout the life of the tax credit. Any failure to maintain the standard for certification under this section shall result in notification to the secretary of the commonwealth, whereupon the secretary shall immediately revoke the tax credit at the time of the decertification.

SECTION 3. Section 221 of chapter 112 of the General Laws, as so appearing, is hereby amended, in lines 19 and 20, by inserting after the words “and any other residential housing components” the following text:-

35 “, as well as the home energy score.”

36 SECTION 4. Section 94 of Chapter 143 of the General Laws, as so appearing, is hereby
37 amended, in clause (h), by inserting, in line 61, after the word “ninety-six,” the following text:-

38 “and including the IECC,”

39 SECTION 5. Said section 94 of said chapter 143, as so appearing, is hereby further amended by
40 adding the following clause:-

41 (m) To adopt, no later than 6 months after the latest edition of the model energy conservation
42 code, the IECC, published by the International Code Council. No amendments to the
43 Massachusetts energy conservation code shall be adopted that increase energy consumption in
44 buildings.

45 SECTION 6. The general court finds and declares that:

46 (a) the development of green energy and promotion of energy efficiency can significantly
47 improve Massachusetts’ energy reliability and security, economic development, and
48 environment;

49 (b) as a commonwealth with abundant human capital, Massachusetts has the opportunity to
50 achieve national and global leadership in research, design, construction, manufacturing, and
51 development of green energy;

52 (c) the construction of public buildings meeting certain green energy standards will save
53 municipalities and school districts significant long-term costs; and

(d) supporting responsible energy by commercial buildings and increasing their energy efficiency is important to Massachusetts' environment.

SECTION 7. For the purposes of this act, the following terms shall be defined as follows:

(a) "Public building", a building constructed with state, municipal, school district or county funds, including grants, loans or technical assistance, constructed under chapter 40B of the General Laws, or a building that is on public property.

(b) "Private building", a building constructed as a private home, including but not limited to single family homes, multi-family homes, apartments and condominiums.

(c) "Commercial building", a building constructed for the purpose of commerce.

(d) "IECC", the International Energy Conservation Code, published by the International Code Council on or before January 10, 2007.

(e) "Division" the division of capital asset management and maintenance.

(f) "Commissioning" an investigation that yields findings concerning ways to improve building operations and maintenance and to improve building systems so they use less energy with greater efficacy.

(g) "Public renovation project", a building renovated with state, municipal or county funds, including grants or technical assistance, or a building on public property that has undergone a complete overhaul of a significant portion of the original structure resulting in a cost greater than 50 per cent of the assessed value of the building.

(h) “Private renovation project”, a complete overhaul of a significant portion of the original structure resulting in a cost greater than 50 per cent of assessed value of the building.

(i) “The Massachusetts green energy construction advisory committee”, the “Massachusetts green energy construction advisory committee” as established under section 13b.

SECTION 8. Notwithstanding any general or specific law to the contrary, the executive office of environmental affairs, or its designee, will inspect and certify all new public, private, and commercial buildings to ensure that they comply with section 221 of chapter 112 of the General Laws and section 94 of chapter 143 of the General Laws.

SECTION 9. Notwithstanding any general or special law to the contrary, the division shall require third party building commissioning for public construction and public renovation projects.

The division shall require public construction and renovation projects to adopt plans to reduce potable water consumption for irrigation by at 50 per cent or incorporate strategies that will conserve at 20 per cent of building water use.

SECTION 10. Notwithstanding any general or special law to the contrary, the division shall establish a certification for public buildings under this act. The certification shall identify each building’s annual energy and water use, operations and maintenance costs, environmental impacts, resource use, indoor air quality and building performance. The inspection shall be in addition to the requirements of section 8 of this act.

SECTION 11. Notwithstanding any general or special law to the contrary, the division shall produce a guide for public construction and renovations projects that includes:

(a) identified green building strategies, materials or technologies that can reduce the long-term operating costs of buildings, including but not limited to, energy, water, maintenance, product repair and replacement;

(b) in the study and design phase, all identified strategies, materials and technologies if there is a payback of 10 years or less after accounting for incentives, grants and other incremental funding; and

(c) a process by which initial construction project capital budgets incorporate possible higher first costs for building elements that have paybacks of 10 years or less.

SECTION 12. Notwithstanding any general or special law to the contrary, the division shall require all public construction and renovation projects to:

(a) Ensure an approach to design and construction that includes the participation of all major stakeholders involved in the design, construction, use and operational elements of the building;

(b) Set goals and targets for annual energy and water use, operations and maintenance costs, environmental impacts, resource use, indoor air quality and building performance; and

(c) Examine a building and its systems as a whole, rather than component by component, to maximize budgetary and environmental gains.

110 SECTION 13. (a) Notwithstanding any general or special law to the contrary, the Massachusetts
111 green energy construction advisory committee is established within the division to ensure that
112 key state personnel at construction agencies, agencies at which buildings will be constructed or
113 partnered with, municipalities and school districts receive appropriate training on the benefits of
114 green buildings and potential implementation strategies. The committee shall offer
115 recommendations to the division to implement.

116 (b) The Massachusetts green energy construction advisory committee shall include the director
117 of the school building authority, the commissioner of the department of energy resources, the
118 secretary of public safety, the director of housing and community development, the secretary of
119 environmental affairs, the secretary of administration and finance, an appointee of the president
120 of the senate, an appointee of the speaker of the house, an appointee of the minority leader of the
121 senate, an appointee of the minority leader of the house, the lieutenant governor, an appointee of
122 the president of Worcester polytechnic institute, an appointee of the chancellor of the university
123 of Massachusetts at Lowell, an appointee of the president of the Massachusetts institute of
124 technology, and the director of the Massachusetts technology collaborative. The lieutenant
125 governor shall chair the committee.

126 SECTION 14. (a) Notwithstanding any general or special law to the contrary, the Massachusetts
127 green energy construction advisory committee, created in section 13(b) of this act, shall
128 implement the Green Energy Construction Fund. Said Fund will be funded, subject to available
129 appropriations, for the purpose of low interest loans to construct new public buildings, renovate
130 existing public buildings, and maintaining public buildings for the purpose of receiving or

maintaining certification as an energy efficient building under this act which exceeds the IECC by 30 per cent.

(b) The Green Energy Construction Grant Program will be initially funded with \$10 million for the purpose of creating the Program. Said moneys are to be maintained by the green energy construction advisory committee. The Program will only be allocated through low interest loans, according to the purpose of this section.

(c) The Massachusetts green energy construction advisory committee shall authorize low interest loans for the building, renovating, and maintenance of all public buildings that exceed the standards of the IECC by at least 30 per cent

(d) The executive office of environmental affairs or its designee will certify any public building, renovation or maintenance project that exceeds the 30 per cent standard of the IECC. The office will designate the project as reaching this goal and inspect the same yearly to ensure that the level is maintained throughout the life of the loan. Any failure to maintain the standard for certification under this section will result in notification to the green energy construction advisory committee. Whereas as the committee will immediately increase the interest rate on the loan to the fair market rate at the time of the decertification.

SECTION 15. Notwithstanding any general or special law to the contrary, a taxpayer who purchases a new private building or a private renovation project as defined in section 7 of this act, and exceeds the requirements of section 94 of chapter 143 of the General Laws by at least 30 per cent, as certified by the executive office of environmental affairs, may take a credit in an amount equal to 5 per cent of the total cost of the construction or renovation.

152 SECTION 16. Notwithstanding any general or special law to the contrary, the office for
153 commonwealth development shall consider increasing a municipality's commonwealth capital
154 score if the municipality constructs or renovates a public building that exceeds section 94 of
155 chapter 143 of the General Laws by at least 30 per cent.